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# Before the FEDERAL COMMUNICATIONS COMMISSION FECEIVED Washington, D.C. 20554 JUN 2 0 1997

	Federal Communications Commission Office of Socretary
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#### **COMMENTS**

Pursuant to Commission's *Public Notice*,<sup>1</sup> the National Exchange Carrier Association, Inc. (NECA)<sup>2</sup> hereby submits its Comments in the above captioned proceeding.<sup>3</sup>

#### I. INTRODUCTION

The North American Numbering Council (NANC) filed its Recommendation on the NANP Administrator and Billing and Collection Agent with the Commission on May 15, 1997.<sup>4</sup> The NANC unanimously recommended NECA as the NANP Billing and Collection Agent and recommended that the Commission order NECA to create an independent board exclusively for

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<sup>&</sup>lt;sup>1</sup> Public Notice, The North American Numbering Council (NANC) Issues Recommendations of the North American Numbering Plan Administrator, Billing and Collection Agent, and Related Rules; Pleading Cycle Established, CC Docket No. 92-237, DA 97-1055 (May 19, 1997).

<sup>&</sup>lt;sup>2</sup> NECA is a not-for-profit, membership association serving over 1,400 local exchange carrier (EC) study areas. NECA is responsible, under Subpart G of Part 69 of the Commission's rules, for activities including the collection and distribution of access charge revenues; preparation of access charge tariffs on behalf of all telephone companies that do not file separate tariffs; and the administration of universal service funds. See 47 C.F.R. § 69.603.

<sup>&</sup>lt;sup>3</sup> Report and Order, CC Docket No. 92-237, 11 FCC Rcd 2588 (1995).

<sup>&</sup>lt;sup>4</sup> Recommendation of the North American Numbering Council (NANC), North American Numbering Plan (NANP) Administrator and Billing and Collection Agent, filed with the Federal Communications Commission, May 15, 1997 ("NANC Recommendation").

the Billing and Collection Agent.<sup>5</sup> The NANC further recommended that the Billing and Collection Agent Board be broad-based, with representation from the NANP community and at least one international (non-U.S. entity) representative.<sup>6</sup>

#### II. DISCUSSION

NECA is gratified to have been unanimously recommended by the NANC to perform the NANP billing and collection functions and looks forward to working with the Commission and NANC in performing this important task. After NECA reviewed the recommendation, NECA contacted the NANC Chairman and members of the NANPA Evaluation Team to understand the requirements provided in the recommendation. As a result of these discussions, NECA suggests forming a NANPA "Billing and Collection (B&C) Oversight Council" to provide independent oversight exclusively for the NANP billing and collection functions. The Council would oversee

<sup>&</sup>lt;sup>5</sup> NANC Recommendation at 4, 13; *Public Notice* at 2.

<sup>&</sup>lt;sup>6</sup> NANC Recommendation at 13. Also, "[c]onsistent with CC Docket No. 97-21, the NANC recommends that the Billing and Collection Agent Board of Directors be: (i) Neutral and impartial; (ii) Not advocate specific positions to the Commission in non-administration-related matters; (iii) Not be aligned or associated with any particular industry segment; and (iv) Not have a direct financial interest in support mechanisms established by the Commission." *Id.* 

<sup>&</sup>lt;sup>7</sup> NANC stated in its recommendation that NECA indicated "it would be responsive to a specific request by the FCC for a separate Billing and Collection Agent Board" and refers to it as a "Board of Directors." NANC Recommendation at 13. NECA did suggest its willingness to accommodate a specific request by the FCC for some form of advisory board. However, NECA does not believe that establishing a whole new corporate entity would be cost effective or necessary to meet NANC concerns. Establishing a new corporate entity would be administratively burdensome and would require unnecessary expenditures for staff and related expenses. Such expenditures are not justified by the level of activity of the Billing and Collection Agent, and were not anticipated by NECA in pricing its proposal.

NECA's operation, via its USAC subsidiary, of the NANPA billing and collection functions.

Membership of the Council could consist of a subset of the USAC Board and/or others in the NANP community, and one or more international representatives.

The NANPA B&C Oversight Council would provide independent oversight exclusively for the NANP billing and collection functions. The NANP billing and collection functions and financial management, subject to Council oversight, would be conducted separately and independently from NECA's or USAC's other administrative responsibilities. Moreover, creation of the Council would keep administrative costs for NANP billing and collection functions much lower than they would be if NECA were required to create a new corporate entity and board of directors. This more cost-effective solution addresses NANC concerns regarding the independence and neutrality of billing and collection functions with adequate representation of affected interests.<sup>9</sup>

<sup>&</sup>lt;sup>8</sup> On January 10, 1997, NECA filed a letter with the Commission proposing to create a new universal service administration company (USAC) subsidiary to serve as temporary administrator of the Commission's new universal service programs. The proposed USAC entity would be formed utilizing existing NECA resources and expertise, and will have a balanced board of directors comprising representatives from the telecommunications industry as well as schools, libraries and rural health care providers. Further, NECA proposed to divest the USAC entity when and if it is selected as permanent administrator. This approach fully satisfies the Joint Board's recommended criteria for a "neutral, third-party" administrator. The Commission has received comments regarding the USAC proposal in CC Docket 97-21 and a decision granting the creation of the USAC is expected soon.

<sup>&</sup>lt;sup>9</sup>Costs associated with the formation and ongoing support for the proposed B&C Oversight Council were not included in NECA's proposal, but can be expeditiously estimated once the Commission adopts a specific recommendation.

### III. CONCLUSION

For the foregoing reasons, the Commission should order the creation of a NANPA B&C Oversight Council as discussed herein.

Respectfully Submitted,

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June 20, 1997

#### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Comments was served this 20th day of June 1997, by mailing copies thereof by United States Mail, first class postage paid or by hand delivery, to the persons listed below.

By: Perry S. Goldschein

The following parties were served:

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